

Florida Certified Insurance Representative (CIR) Practice Exam (Sample)

Study Guide



Everything you need from our exam experts!

This is a sample study guide. To access the full version with hundreds of questions,

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Don't worry about getting everything right, your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations, and take breaks to retain information better.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning.

7. Use Other Tools

Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly — adapt the tips above to fit your pace and learning style. You've got this!

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Questions

- 1. In an insurance policy, what term describes the summary of what the insurer will do in the event of a covered loss?**
 - A. Endorsement**
 - B. Declaration**
 - C. Section X**
 - D. Exclusion**
- 2. What type of policy must be in place for a contractor when required to secure a surety bond?**
 - A. General Liability Insurance**
 - B. Workers' Compensation Insurance**
 - C. Surety Bond Insurance**
 - D. Performance Bond Insurance**
- 3. If Drew rear-ends Mr. Jackley while borrowing Joe's car, whose liability insurance will pay first for the damages?**
 - A. Joe's**
 - B. Drew's**
 - C. Mr. Jackley's**
 - D. The insurance company**
- 4. Which statement about the Federal Employers Liability Act is TRUE?**
 - A. It protects only federal employees**
 - B. It includes civilian employees**
 - C. It covers only employers**
 - D. It excludes all employees**
- 5. What term describes the information Rachel provides while filling out her homeowners policy application?**
 - A. Disclosures**
 - B. Representations**
 - C. Misrepresentations**
 - D. Statements**

- 6. Who is required to participate in the Florida Automobile Joint Underwriting Association?**
- A. Only large insurance companies**
 - B. All insurers who can sell auto insurance in Florida**
 - C. Specialist insurers only**
 - D. Only those who have had claims in the past**
- 7. What type of insurance is crucial for covering liability for defects in a product sold?**
- A. Health Insurance**
 - B. Commercial Auto Insurance**
 - C. Professional Liability Insurance**
 - D. Commercial General Liability Insurance**
- 8. What is the expected payout for Diana under her DP-2 policy for a total loss of \$5,200?**
- A. \$2,000**
 - B. \$2,500**
 - C. \$5,200**
 - D. \$3,700**
- 9. Which statement BEST describes the "Follow Form" in excess liability coverage?**
- A. It limits and excludes coverage based on primary policies.**
 - B. It requires a specific insurer to provide coverage.**
 - C. It is a standard liability policy.**
 - D. It is only available for corporate clients.**
- 10. Which statement about Susan's homeowners policy claim for her late husband's gravestone is TRUE?**
- A. She will receive \$2,500 to pay for the damaged gravestone**
 - B. It covers the full replacement value of the gravestone**
 - C. It is categorized under property damage liability**
 - D. It is not covered as it was vandalism**

Answers

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1. C
2. C
3. A
4. B
5. B
6. B
7. D
8. B
9. A
10. A

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Explanations

1. In an insurance policy, what term describes the summary of what the insurer will do in the event of a covered loss?

- A. Endorsement**
- B. Declaration**
- C. SectionX**
- D. Exclusion**

The correct term that describes the summary of what the insurer will do in the event of a covered loss is the Declaration. The Declaration page or section of an insurance policy outlines the essential details of the policy, including the type of coverage, limits, effective dates, and key duties of the insurer in the event of a claim. This page serves as a vital reference, providing clear information about what the insured can expect from the insurer following a covered loss. It establishes the foundational terms of coverage and the obligations of both parties. Understanding the Declaration is crucial for policyholders, as it directly relates to their rights and the insurer's responsibilities in the event of a claim. Endorsements are modifications or additions to the policy that change its coverage or terms. SectionX and exclusions typically refer to specific limitations or conditions within a broader policy framework, but do not summarize the insurer's obligations in the way that a Declaration does.

2. What type of policy must be in place for a contractor when required to secure a surety bond?

- A. General Liability Insurance**
- B. Workers' Compensation Insurance**
- C. Surety Bond Insurance**
- D. Performance Bond Insurance**

The type of policy that must be in place for a contractor when required to secure a surety bond is specifically known as Surety Bond Insurance. This form of insurance is critical in the bonding process, which acts as a guarantee that the contractor will fulfill their contractual obligations. A surety bond essentially serves as a three-party agreement involving the contractor (the principal), the party requiring the bond (the obligee), and the bond issuer (the surety). When the contractor secures a surety bond, it assures the obligee—typically a property owner or government agency—that they will be compensated in the event that the contractor fails to complete the project as per the contractual agreement. This protects the obligee from potential financial loss if the contractor does not adhere to the specified terms. The performance bond, while closely related and often forms part of the surety bond portfolio, is more centered on ensuring the completion of the project to the agreed standards. Therefore, surety bond insurance encompasses more than just performance aspects, also covering payment and compliance aspects of the contractor's obligations. Having this specific type of coverage is essential, as it establishes a trust-based relationship among all parties involved in a construction project. It's vital for contractors to understand the importance of sure

3. If Drew rear-ends Mr. Jackley while borrowing Joe's car, whose liability insurance will pay first for the damages?

A. Joe's

B. Drew's

C. Mr. Jackley's

D. The insurance company

In this scenario, Drew rear-ends Mr. Jackley while driving Joe's car. When evaluating liability coverage in such situations, the general principle followed is that the insurance coverage for the car being driven is primary in covering any damages that occur while it is being operated by another driver. Since Drew is driving Joe's car, Joe's liability insurance would be the primary coverage that pays for the damages resulting from the accident. This type of coverage typically follows the vehicle rather than the driver, meaning that the insurance associated with the car being operated is responsible for covering damages first. Drew's own liability insurance would not be the first to pay because it would typically act as secondary coverage in cases where the primary insurance (in this case, Joe's) is insufficient to cover the damages. Mr. Jackley's insurance also would not be applicable here, as he is the victim of the accident and is not liable for covering damages; he is likely seeking compensation for damages from the responsible party's insurance. Therefore, Joe's liability insurance is the correct answer, as it is the policy attached to the vehicle Drew was operating at the time of the incident.

4. Which statement about the Federal Employers Liability Act is TRUE?

A. It protects only federal employees

B. It includes civilian employees

C. It covers only employers

D. It excludes all employees

The statement regarding the Federal Employers Liability Act (FELA) that is true is that it includes civilian employees. FELA is a federal law that enables railway workers, including not only federal employees but also civilian workers employed by railroads engaged in interstate commerce, to sue their employers for damages in cases of injury or death that occurs in the course of employment. This law is significant because it provides a legal framework that holds railroad employers liable for negligence, thereby offering protection to not just federal railroad workers but also a broader category of civilian employees associated with these companies. Unlike workers' compensation laws, which typically limit the rights of employees to seek damages, FELA allows for recovery based on the negligence of the employer, providing a more extensive range of remedies for injured workers.

5. What term describes the information Rachel provides while filling out her homeowners policy application?

A. Disclosures

B. Representations

C. Misrepresentations

D. Statements

The term that accurately describes the information Rachel provides while filling out her homeowners policy application is "representations." In the context of insurance, representations are the statements of fact that an applicant makes in their insurance application, which are considered to be true to the best of their knowledge at the time of reporting. These representations help the insurer assess risk and determine the terms of the insurance policy. It is important for applicants to understand that the information they provide as representations must be honest and accurate since it plays a crucial role in the underwriting process. Should it later be discovered that inaccuracies or false information were provided, it could lead to issues with coverage or the validity of the policy.

6. Who is required to participate in the Florida Automobile Joint Underwriting Association?

A. Only large insurance companies

B. All insurers who can sell auto insurance in Florida

C. Specialist insurers only

D. Only those who have had claims in the past

In Florida, all insurers that are authorized to write automobile insurance coverage must participate in the Florida Automobile Joint Underwriting Association (FAJUA). This requirement is in place to ensure that there is an adequate insurance market available for drivers who may be considered higher risk or unable to obtain insurance through traditional means. The FAJUA was created to provide coverage for individuals who are unable to secure automobile insurance due to various factors, allowing all licensed insurers to contribute to and have a stake in the availability of this essential insurance product. By involving all insurers, the FAJUA helps to spread the risk associated with insuring higher-risk drivers among a larger pool, ultimately contributing to the overall stability and accessibility of the automobile insurance market in Florida. This collective approach contrasts with the other options, as it encompasses not just large companies or specialist insurers but all insurers capable of providing auto coverage, thereby reinforcing a more inclusive marketplace for automotive insurance in the state.

7. What type of insurance is crucial for covering liability for defects in a product sold?

- A. Health Insurance**
- B. Commercial Auto Insurance**
- C. Professional Liability Insurance**
- D. Commercial General Liability Insurance**

Commercial General Liability Insurance is essential for covering liability for defects in products sold by a business. This type of insurance protects businesses against claims of bodily injury or property damage that arise from the use of their products. If a product defect leads to injury or damages, this insurance would cover the legal costs and any settlements or judgments resulting from such claims. This coverage is particularly important for manufacturers, distributors, and retailers because it addresses the risks associated with product liability. Without this insurance, a business could face significant financial burdens if a defect in a product were to harm a consumer or cause property damage. Understanding this, it becomes clear that businesses need this type of liability coverage to safeguard themselves financially and maintain their operations in the face of potential lawsuits linked to product defects.

8. What is the expected payout for Diana under her DP-2 policy for a total loss of \$5,200?

- A. \$2,000**
- B. \$2,500**
- C. \$5,200**
- D. \$3,700**

Under a DP-2 policy, which is a type of dwelling policy used primarily for rental properties or houses that are not owner-occupied, the payout for a total loss is influenced by specific coverage limits and policy features. The DP-2 policy typically covers a range of perils and may include provisions for actual cash value or replacement cost, depending on how the policy is written. Considering the scenario presented, if Diana is expecting a payout of \$2,500 for a total loss of \$5,200, this amount could represent a deductible or limit defined in her policy for a partial payout scenario. In this instance, the expectation of receiving a payout of \$2,500 when the total loss is \$5,200 suggests that there may be a cap on the amount reimbursed based on specific conditions within her policy. Losses under a DP-2 policy are assessed, and adjustments may come into play due to factors such as an applicable deductible, coverage limits, or depreciation considerations. The expected payout of \$2,500 indicates that Diana's policy might limit compensation relative to the total damage reported, aligning with standard practices for such insurance policies. In contrast, the other amounts do not align with typical scenarios for a DP-2 policy. For instance

9. Which statement BEST describes the "Follow Form" in excess liability coverage?

- A. It limits and excludes coverage based on primary policies.**
- B. It requires a specific insurer to provide coverage.**
- C. It is a standard liability policy.**
- D. It is only available for corporate clients.**

The concept of "Follow Form" in excess liability coverage pertains to how excess coverage aligns with the terms and conditions of the underlying primary insurance policies. Essentially, "Follow Form" means that the excess policy will mirror the coverage, terms, and exclusions of the underlying primary policy. Therefore, if coverage is provided under the primary policy, the excess policy will also provide coverage under the same terms. The correct choice highlights that "Follow Form" excess liability coverage limits and excludes coverage in accordance with the stipulations set by the primary policies. This is crucial for ensuring that covered risks and exclusions in the primary policy are also reflected in the umbrella or excess coverage, thereby maintaining consistency and avoiding gaps in coverage. This alignment is particularly significant for policyholders; it allows them to have a clearer understanding of their overall protection and ensures that they do not inadvertently have less coverage than anticipated if the primary policy has exclusions or limitations. Understanding how excess policies "follow" primary ones is essential for effective risk management. In contrast, other options focus on different aspects of insurance coverage that do not accurately describe the function of "Follow Form." For instance, the requirement of a specific insurer for coverage, the definition of a standard liability policy, and the availability of coverage only for corporate

10. Which statement about Susan's homeowners policy claim for her late husband's gravestone is TRUE?

- A. She will receive \$2,500 to pay for the damaged gravestone**
- B. It covers the full replacement value of the gravestone**
- C. It is categorized under property damage liability**
- D. It is not covered as it was vandalism**

In the context of Susan's homeowners policy claim for her late husband's gravestone, the accurate statement pertains to the coverage limit provided for such situations. Homeowners insurance typically includes a category for loss or damage to specific personal property, and there is often a specified limit for certain categories of items, such as grave markers. In this case, many homeowners policies designate a coverage limit, often around \$2,500, specifically for headstones or grave markers. Thus, it aligns with the typical provisions found in homeowners policies that offer support for such claims, leading to the assertion that she will receive a designated amount, like \$2,500, to address the damage. The other statements do not reflect the common practices and stipulations present in homeowners insurance. The full replacement value of the gravestone is not typically guaranteed, as there are often caps on reimbursement for such losses. Additionally, categorizing this incident under property damage liability would misinterpret the nature of the claim since liability generally refers to loss a policyholder is deemed responsible for causing to third parties, rather than insurable assets. Lastly, while vandalism can sometimes impact coverage, in this instance, it does not negate the coverage provided for grave markers under most homeowners policies. Thus, the assertion about receiving

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://floridacertifiedinsurancerep.examzify.com>

We wish you the very best on your exam journey. You've got this!